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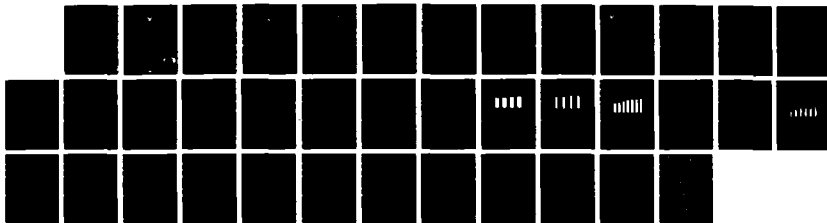
REGIONALISM OF AIR FORCE ACCOUNTING AND FINANCE OFFICES
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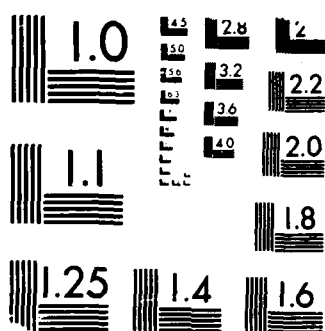
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AIR COMMAND AND STAFF COLLEGE

STUDENT REPORT

REGIONALISM OF AIR FORCE

ACCOUNTING AND FINANCE OFFICES

MAJOR SAMUEL A. WALL

88-2700

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REPORT NUMBER 88-2700
TITLE REGIONALISM OF AIR FORCE ACCOUNTING AND FINANCE OFFICES

AUTHOR(S) MAJOR SAMUEL A. WALL, USAF

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Submitted to the faculty in partial fulfillment of
requirements for graduation.

**AIR COMMAND AND STAFF COLLEGE
AIR UNIVERSITY
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PREFACE

The idea of regional centralization was initially introduced to the author in 1985 by Colonel Patrick J. Malvaso, Director of the Air Force District of Washington Accounting and Finance Office (AFO), Bolling Air Force Base (AFB) in Washington, D. C. The results of that initial idea is the subject of this paper. In this study, a rather short analysis is presented to discern if any preliminary value exists in the concept of AFO regional centralization. The analysis compares two study models to determine the concept value for future application in the AFO system.

The author's thanks are extended to the people of the Air Force District of Washington Accounting and Finance Office for their assistance and ideas, especially Colonel Patrick J. Malvaso and his executive officer, Major Stanley Moorehouse. Likewise, thanks are extended to Ms Mary Humphrey, Jackie Semsack, and Mattie Clemens for their time and research efforts at the United States Air Force Accounting and Finance Center, Denver, Colorado. A special thanks for typing and formatting support is also extended to Ms Cheryl Monday.

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—ABOUT THE AUTHOR—

Major Samuel A. Wall enlisted in the United States Air Force in August 1966 and was assigned to the Minuteman Missile Weapon System at Ellsworth AFB, South Dakota. He served eight years in various missile maintenance positions in the Minuteman I and II Missile Systems. During this time, he completed his Bachelor of Arts degree in Economics from Guilford College, North Carolina, and a Masters in Educational Administration from South Dakota State University.

In 1974 Major Wall was commissioned a Second Lieutenant from the Officers Training School at Lackland AFB. Over the next five years he served as a Minuteman II Combat Crew Commander, Standardization and Evaluation Crew Commander, and Emergency War Order Training Instructor. From 1979 to 1985 he served in various staff positions at Headquarters 8AF, Barksdale AFB, and Headquarters United States Air Force, Washington, D. C.

From 1985 to 1987 he was Director of Pay Operations with the Air Force District of Washington Accounting and Finance Office at Bolling AFB, Washington, D. C. In 1987 he was selected to attend Air Command and Staff College, Maxwell, AFB.

Major Wall has been awarded the Air Force Meritorious Service Medal with two oak leaf clusters and the Air Force Commendation Medal.

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EXECUTIVE SUMMARY



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REPORT NUMBER 88-2700

AUTHOR(S) MAJOR SAMUEL A. WALL, USAF

TITLE REGIONALISM OF AIR FORCE ACCOUNTING AND FINANCE OFFICES

I. Purpose: To determine the potential validity of the Accounting and Finance Office (AFO) regional centralization concept. This study uses a comparison of two similar model regions as defined in the paper to determine the concept value for future application in the AFO system.

II. Problem: The Air Force Comptroller Long Range Objectives Plan and Strategies document tasking in the first objective was to organize for increased effectiveness and productivity. The question then becomes can AFO regionalism provide a better means of organizing to achieve manpower resource savings and to increase productivity.

III. Data: The primary objective in this study was to apply the AFO regionalism concept to two study models and to compare the results for manpower savings and productivity effectiveness. The AFO regionalism concept was defined as operating one full-scale Air Force Accounting and Finance Office surrounded by smaller satellite branch offices within a large customer population vice operating

CONTINUED

several full-scale base-level AFO's within the same region. The first study model was the Air Force District of Washington (AFDW) Accounting and Finance Office located at Bolling Air Force Base (AFB). The AFDW/AFO was the prime model because its organizational structure approximated the regionalism concept. The second model was randomly selected by applying the definition of the regionalism concept to three AFOs collocated with a large customer population. This second model consisted of March, Norton and George AFOs collocated Southeast of Los Angeles. Both models were compared first by using manpower versus voucher productivity for the entire AFO. Secondly, a comparison was made between the models at the internal divisional level. The Travel Pay Division was selected as representative of a large volume workload. Again, the models were compared at the divisional level using the criterion of manpower versus productivity data.

IV. Conclusions: The results from comparing the AFDW/AFO regional model against the March, Norton, George model showed that the AFDW/AFO centralized region produced 74,868 more vouchers annually using 27 less people than the March, Norton and George model. However, at the divisional level the reverse was true. March, Norton and George AFO Travel Pay Divisions produced 57,503 more vouchers annually using 11 more people.

V. Recommendations: This study suggests that the Air Force Accounting and Finance Office regionalism concept has merit as a possible source for manpower savings. A more detailed study at each study model location could identify other factors which might alter the results dramatically. On the surface, AFO regionalism appears to be a worthwhile concept.

Chapter One

INTRODUCTION

BACKGROUND

In the spring of 1985 then Comptroller of the Air Force, Lieutenant General Truman Spangrud, signed the Comptroller of the Air Force Long Range Objectives Plan and Strategies. Later in July of that year, the supporting action plan was also issued. The plans and supporting action documents were to "identify salient issues and outline the steps necessary to prepare comptrollership for the future". (11:8) These documents were an attempt to take a fresh look into the Air Force financial community and its organizational structure. Specifically General Spangrud saw:

The need for long range planning because the future will produce more taskings with underlying realizations for the comptroller entity to provide more timely information, better estimation of needs, and more thorough analysis of requirements to help leaders make the best possible decisions. At the same time, comptrollers will be tasked to increase the productivity of their workforce, enhance people's ability to perform their work, and assist people in achieving career aspirations. (11:8)

From the January 1986 issue of the Air Force Comptroller Magazine, Lieutenant Colonel Charles W. Marsh continues the thought as follows:

Comptroller requirements will be further impacted by the technological environment envisioned for the future. The exponential growth in the use of computers to record and analyze information will result in smaller base and command Comptroller staff, change the comptroller's disciplinary organizational alignment into a total financial support function, cause comptroller people to become multi-disciplined, polarize the workforce into low-skilled clerks/data

enterers and high skilled analysts, decision makers, and managers. (11:8)

The specific objectives to meet the comptrollership of the next decade, as identified in the Air Force Comptroller Long Range Plan and Strategies document, are

1. organize for increased effectiveness and productivity;
2. recruit, train, and develops personnel in harmony with changing technology, processes, procedures, and organizations;
3. provide a physical work environment that inspires increased productivity and serves the customer;
4. achieve enhanced effectiveness and efficiency through modern information and management technology. (11:8)

Since many thoughts are now circulating within the comptroller career field as to how best to achieve each objective, this paper will examine one proposal that addresses the first objective which is to organize for increased effectiveness and productivity. Succinctly expressed, the topic of this paper is regionalism of Air Force Accounting and Finance Offices (AFOs).

STATEMENT OF THE PROBLEM

The original tasking from the Air University Compendium of Research Topics, Volume 1, asked the question, "can the Air Force save resources by adopting the regional concept throughout [thereby meeting objective one of the Air Force Comptroller's goals for the future]"? (7:33) Thus, the problem, can AFO regionalism provide a better means of organizing to achieve manpower resource savings and to increase productivity?

OBJECTIVE

The primary objective is to apply the AFO regionalism concept to two study models and to compare the results for manpower savings and productivity effectiveness.

AFO REGIONALISM DEFINED

The AFO regionalism concept is defined as operating one full-scale Air Force Accounting and Finance Office surrounded by smaller satellite branch offices within a large customer population area vice operating several full-scale base-level AFO's within the same region.

Regionalism is actually the functional combining of one or more geographically separate AFOs into one central office in a defined region. The region would be characterized by several AFOs clustered in a definable large customer population and geographic location, specifically within the Continental United States (CONUS). This would allow the present 124 accounting and finance office system to remain open but limit divisional operations to only one central office within a region. The repetitive tasks in each of the AFOs would be consolidated and accomplished by the divisions at the regional office. The satellite AFOs of the region would perform only customer service and information gathering roles and feed customer transactions into the central AFO or directly to the Air Force Accounting and Finance Center in Denver via computer networking.

Regionalism as used in this paper is somewhat synonymous with the usage of business organizational centralization. However, more emphasis is placed on centralization in the geographic sense, thus the term--regionalism.

METHOD OF ANALYSIS

The AFO regional concept, as previously defined, will be applied to two study models. The first model (Model A) is the Air Force District of Washington (AFDW) Accounting and Finance Office located at Bolling Air Force Base (AFB). This organization was selected as the prime model because its organizational structure approximates the regionalism concept. A second model (Model B) was randomly selected by applying the definition of the regionalism concept to three AFOs collocated within a large customer population. This second model consists of March, Norton and George AFB Accounting and Finance Offices. Their location is centralized Southeast of Los Angeles, California.

A chapter will be devoted to each model with a more extensive analysis given to Model A since it contains more actual characteristics of the regionalism concept. Each model will be presented in a descriptive format according to region, population, manpower and output (voucher productivity). One division, the Travel Pay Division, will be sampled in each model for a measurement of manpower and production output. The Travel

Pay Divisions were chosen because they are normally the highest output division in an AFO. The last chapter will compare Model A, which is reputed to be a regional operation (7:33), to Model B, which is three separate full-scale operating AFOs, to determine if Model A's manpower and productivity is better than Model B's. Likewise, Model A's Travel Pay Division will be compared against Model B's using the same measurement criterion of manpower versus productivity at the divisional level. If manpower and productivity levels are better in Model A, then, the concept of regionalism may be worthwhile in achieving the Air Force Comptroller's first objective for organizing more efficiently.

However, before the models are described a brief explanation will be presented in the following chapter to show the relationship between centralized organizational structuring and the present Air Force AFO organization and its functional divisions.

Chapter Two

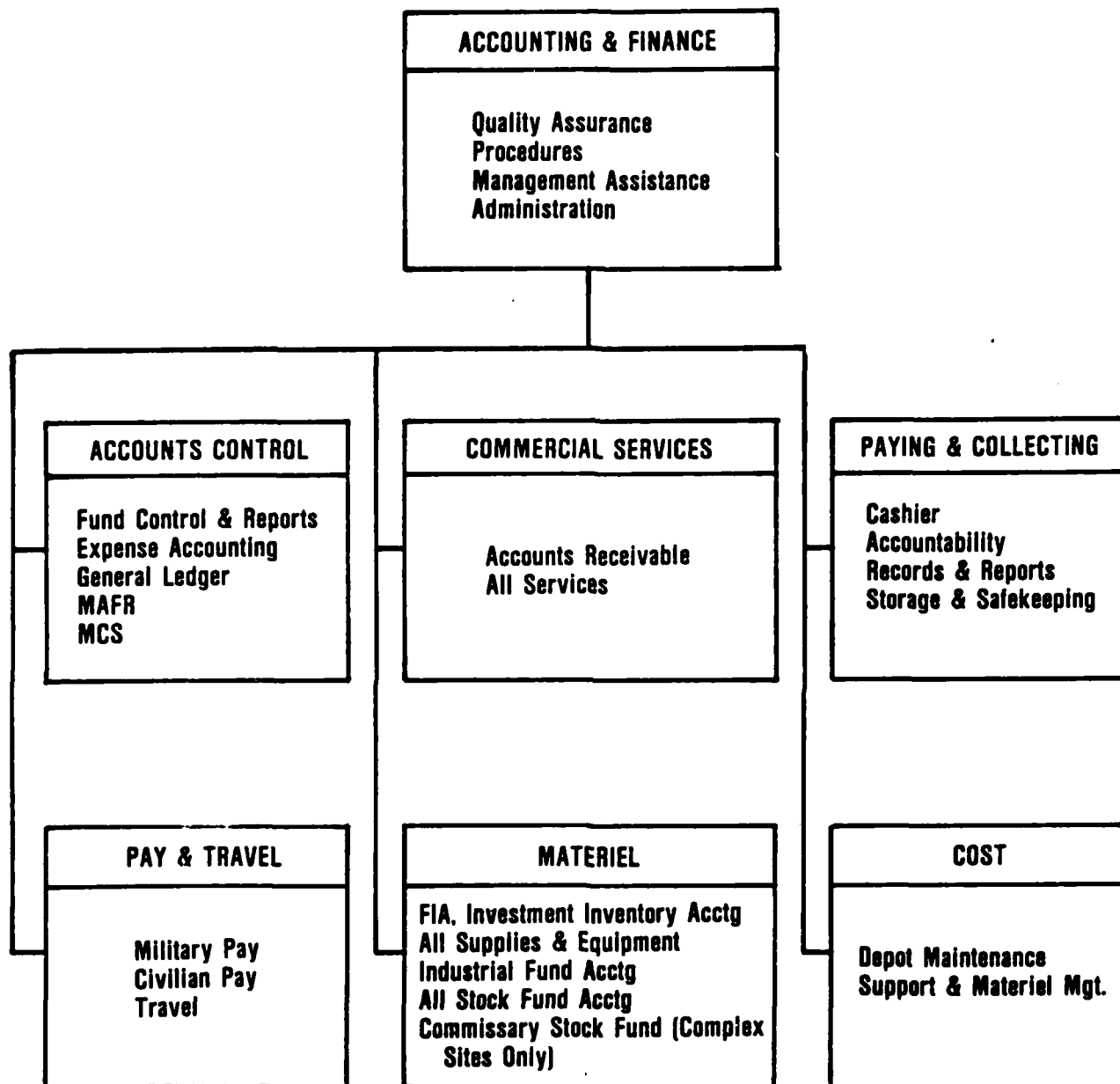
CENTRALIZATION AND THE AFO

Prior to entering the model analysis, this chapter overlays two classical variations of centralized organizational structuring onto the present AFO structure. The purpose is to show that no major internal AFO restructuring is needed to adopt the regionalism concept at the central office.

DEFINING CENTRALIZATION

Organizations use the centralized structure for the purpose of central decision-making and/or for centralizing resources. Newman and Summer in The Process of Management summarize succinctly the type of centralization addressed in this paper. They present it as functionalization. For instance, they show how it has often proven more feasible or advantageous for the management of industrial organizations to have all the sales people grouped together in one department, essentially centralizing that function. This is usually occasioned by the savings that can be accomplished or offered in pooling talent, specialists, and facilities. (2:40)

The present organizational structure of AFOs is a structure which Leonard Kazmier in Principles of Management would describe as horizontal centralization. He points out that the horizontal centralized structure is characterized by only a few levels of command or control between the top and the lowest levels of an organization. It could also have numerous functional groupings in the lower levels or separation of units in the geographical sense. (1:82) Figure 1 (page 6) presents the current organizational structure of a typical base-level accounting and finance office. This figure displays horizontal centralization by functional grouping of specialists into divisions. These specialist areas can be seen within each block in Figure 1. The individual blocks on this figure represent divisions or Subject Matter Areas (SMAs). The major customer related functional divisions are the next topic.



AFO BASE-LEVEL ORGANIZATION

FIGURE 1 (10:3)

AFO ORGANIZATION

The major production and customer interface (service) divisions are the Civilian, Military, Travel and Commercial Pay Divisions (see Figure 1). The Accounts Control Division is primarily the check book balancing point for the disbursements made by the four paying divisions, and it functions as the reconciliation point for the base operating budgets. With this general overview in mind, a brief amplification of the major functions of each of these four paying divisions is helpful.

AFP 177-2 delineates the tasks involved in the duties of the Subject Matter Areas, as these divisions are called within the Air Force financial community. The major functions are as follows:

1. Civilian Pay is responsible for operating a standard local, mechanized pay system. Civilian Pay records are established and maintained to provide timely and accurate payments to civilian employees through this system.
2. Military Pay administers the military pay and leave accounting system. It supports the Joint Uniform Military Pay System (JUMPS) by controlling and processing all incoming and outgoing military pay orders, including leave documents. It is responsible for timely and accurate payments to military members.
3. The Travel Section has two major responsibilities: the computation of travel claims and the accounting of travel funds.
4. Commercial Services records, computes, and vouchers transactions and claims relating to commercial accounts. (9:4-11)

It should be noted that the Material and Cost Divisions are often assigned as branches within the Commercial Services Division and the Quality Assurance and Administration Divisions provide the Accounting and Finance Officer with interdivisional support.

In summary, an AFO organization appears to be a typical centralized structure based on function, which compares favorably with Kazmier's horizontal centralization depiction and Newman and Summer's functional depiction. The next two chapters begin the analysis of the two sample models which will be compared in the final chapter. The following model (Model A) is the most representative example of the AFO regionalism concept actually employed.

Chapter Three

ANALYSIS OF MODEL A

This chapter presents an extensive description of the Air Force District of Washington (AFDW) Accounting and Finance Office. The discussion will explore five areas contributing to the definition of regionalism. The areas are the defined region, serviced population, manpower needs, output production and one example of a centralized and highly productive division, the Travel Pay Division. From this model, manpower and productivity are to be the salient measuring indicators utilized in chapter five for determining if regionalism can save resources.

REGION

Plans were afoot in 1984 to establish the Air Force District of Washington and to consolidate the Air Force support organizations throughout the National Capital Region, including the Bolling AFO. On the first of October 1985, the Air Force District of Washington was officially established and the Bolling AFO became known as the Air Force District of Washington Accounting and Finance Office which reflected accurately its expanding regional financial support role. The greater workload and manning shortages demanded that the three satellite AFO finance operations, the Pentagon, Fort Meade and Andrews AFB, which reported to the Bolling AFO, be relegated to only customer service units with reduced manning. The voucher processing and accounting workloads were consolidated at the central office on Bolling AFB. Thus, a de facto regional centralization actually emerged from this unique situation.

Perhaps the best description of what constitutes the National Capital Region is found in the Department of Defense Instruction letter of 13 March 1981, Number 4515.14, which defines the local travel area of the National Capital Region:

The Washington Local Travel Area includes the District of Columbia, Montgomery, Prince George's, Anne Arundel, Baltimore, Charles, Howard, Frederick, and Washington Counties in Maryland; Arlington, Fairfax, Loudoun, Fauquier, Prince William, Culpepper, Orange, Stafford, Spotsylvania, King George, and Clarke Counties in

Virginia; Adams County in Pennsylvania; the City of Baltimore in Maryland and the cities of Alexandria, Fairfax, Falls Church, and Fredericksberg in Virginia, and all cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined areas of the aforesaid counties. (8:--)

Recognize too, that this AFO's service area also becomes worldwide when the Air Attaches are included. This, then, is the seemingly expanding geographic region of the study model, however, the present study is centered primarily within the National Capital Region.

POPULATION

Focusing more narrowly on the National Capital Region, the AFDW Accounting and Finance Office service population extends across a broad spectrum of federal agencies. A sample includes: HQ USAF, OSD, OJCS, DODIG, DIA, DIS, DLA, DCA, DSAA, DARPA, National War College, U. S. Court of Military Appeals, Uniformed Services University of Health Sciences and many smaller agencies throughout the continental states. The total customer population is 69,877 DOD active and retired personnel, both military and civilian. Table 1 provides a brief detailed breakout of that population by major location and agency.

AFDW ACCOUNTING AND FINANCE POPULATION SERVICED

	USAF MIL	CIV	OTHER
BOLLING	2500	800	
DIA	650	3150	850
ANDREWS	6000	2370	
OSD	350	2550	830
OJCS	500	300	1200
DCA	250	1740	500
DIS		620	380
USUHS	250	890	460
AFIS	400	140	
AIR ATTACHES	250		
FT MEADE	2100		
DOD (OTHER)	4550	1637	2700
HQ USAF (OTHER)	2100	2960	
 TOTAL PRIMARY CUSTOMERS		43,977	
ADD RETIREES		21,000	
ADD GUARD/RESERVES		4,900	
		<hr/>	
		69,877	

TABLE 1 (3:--)

As shown in Figure 2 (page 12) the actual military and civilian payroll has risen since the inclusion in 1985 of the Bolling AFO into the Air Force District of Washington.

MANPOWER

Figure 3 (page 13) shows that the actual manpower strength declined over a four-year period from 223 personnel in 1984 to 210 personnel in 1987, including both military and civilian. During this same period, another indication that the workload volume was rising is the Management Engineering Team's (MET) authorization to increase manning at the unfunded level (see Figure 3 requirement level). The data in Figure 3 are based on a monthly average because manning is always in flux at this particular AFO. The cause is manpower market instability.

Manpower instability is one of the real problems in large regional populations. However, this instability or increased turnover rate is because the Washington D. C. area has ample openings within the federal district for upward grade mobility. Lower paid jobs (GS-1 to 5) are difficult to sustain because of the high housing and living costs. Therefore, lower skilled or service jobs go begging and grade mobility creates turnover. This characteristic is evident in the study model also. The turnover of manpower, primarily civilian, in the AFDW/AFO divisions often reaches over sixty percent during the year (3:--). The military worker on the other hand provides the manpower stability for this AFO. This instability factor in civilian personnel often causes severe drops in manning during some months. Nevertheless, the yearly voucher productivity steadily increased (see Figure 4, page 14), which is the next major area, output.

OUTPUT

Quantities of disbursement and collection vouchers processed in a fiscal year are a good measure of the total volume production occurring in the AFO. Figure 4 (page 14) shows the growth pattern from 1981 with 213,000 public vouchers processed to 1987 with over 310,000 vouchers processed. No doubt, a rapid increase occurred in production, especially, during and since the 1985 inception of the AFDW as a regional organization.

In the next section one example of a high productive division is presented. The focus will center on the Travel Pay Division which also typifies how regional centralization might work by computer networking from the central office into branches and centralizing repetitive tasks to the main office. The

SERVICED FOR PAY (MILITARY & CIVILIAN)

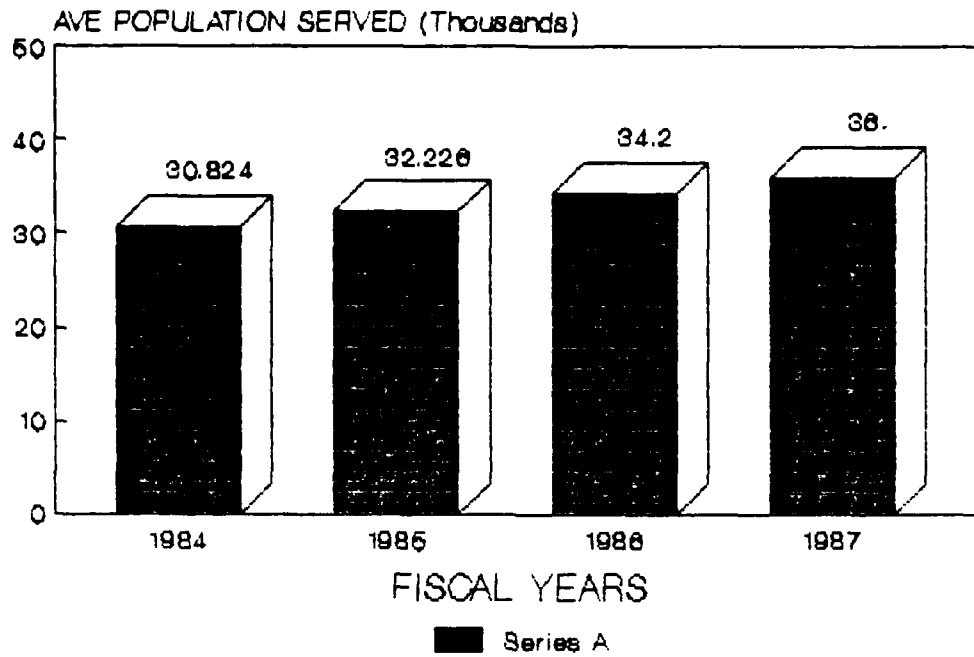


FIGURE 2 (4:--)

MANPOWER

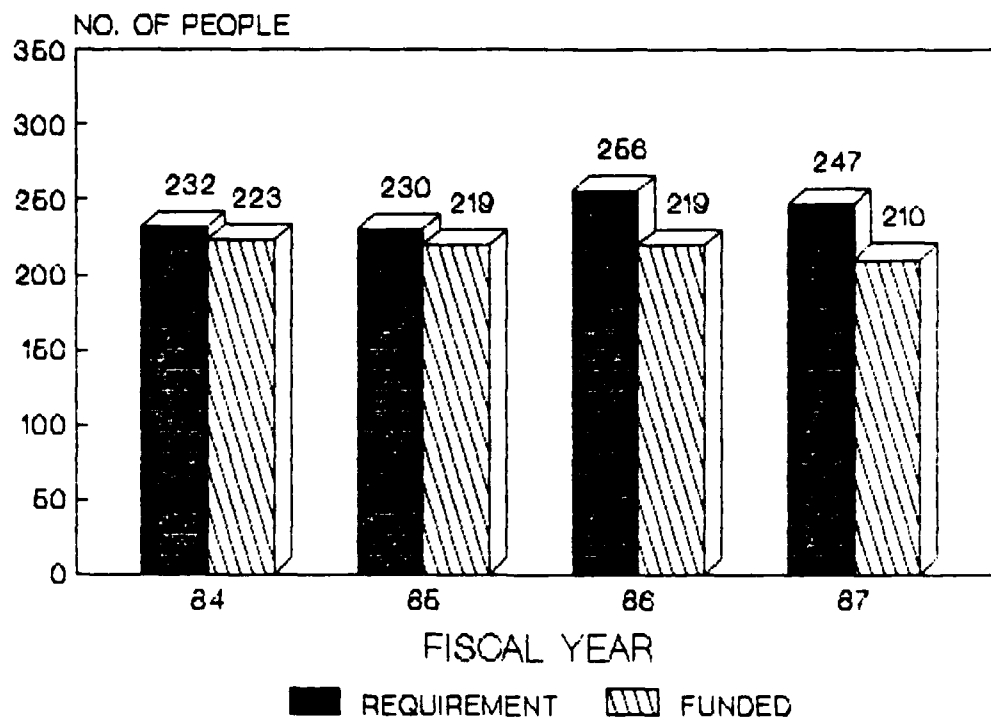


FIGURE 3 (4:--)

VOUCHERS PROCESSED

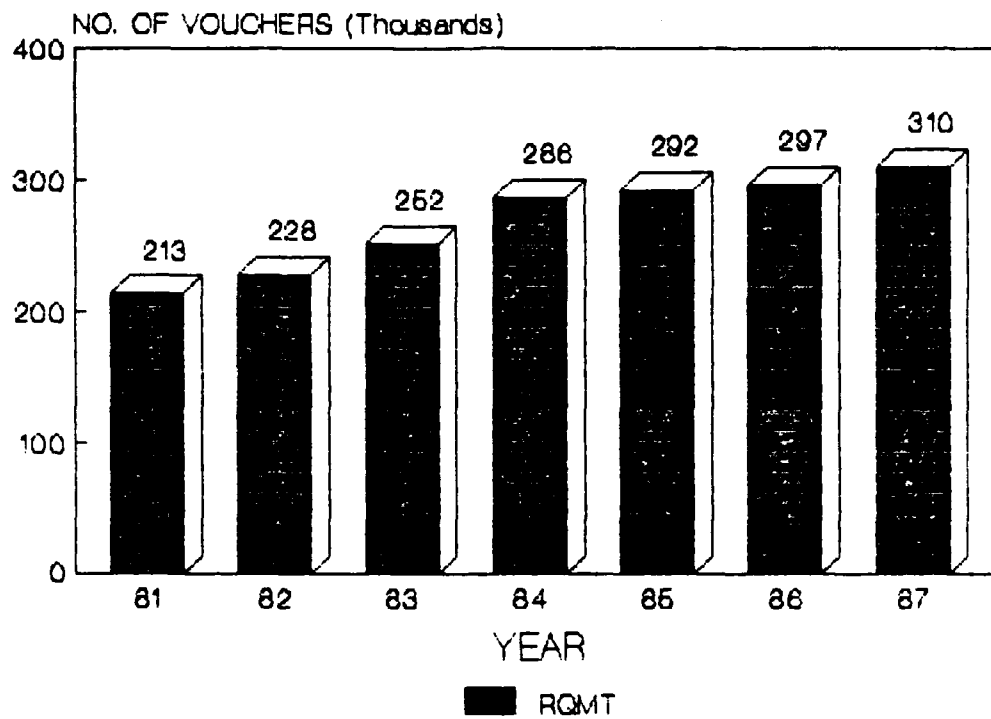


FIGURE 4 (4:--)

description in the next section is related from the experiences of the author while supervisor of that division during the 1985-1987 time frame. However, the data is empirical.

TRAVEL PAY DIVISION

In study Model A the Travel Pay Division presents a microcosm of how regional centralization could work when combining centralization of tasks and networking with a satellite office. The results allowed the division to process the growing regional workload while utilizing the same manpower.

Since 1983 the authorized manning for this division remained at 35 personnel, military and civilian. (4:--) Prior to the October 1985 formation of AFDW, the Bolling and Andrews AFO were under the Military Airlift Command (MAC). When MAC relinquished control of the Bolling and Andrews AFO, several manpower slots were lost within the Andrews AFO. The Travel Pay Division at Andrews continued to operate as a self-contained travel operation. However, travel voucher processing at Andrews began to lag further behind. Consequently, five personnel were withdrawn from that office to Bolling, and the five remaining personnel were left to gather travel vouchers and service individual customers at the open counter.

The five personnel withdrawn to Bolling were integrated into the Bolling night shift and virtually 90% of the travel vouchers for Andrews were processed on that shift. (3:--) The Bolling night shift also processed all vouchers for the Pentagon and the Fort Meade Offices. The Pentagon and Fort Meade Offices at this time were already operating with 3 and 2 personnel respectively. Now, only the reduced five-person Andrews Travel Office remained to service a large two-wing Air Force base.

The results showed that the Andrews office was processing an average of 123 customers per day and forwarding all daily vouchers to Bolling for computation on the night shift. The night shift forwarded the completed customer copy back the next day for cash or check payment. This allowed the Andrews window service to process each customer within 10 minutes and allowed the customer next day immediate payment. The processing capability increased and no backlogs occurred.

The Travel Pay Division's centralized re-organization was made even more efficient later with the introduction of the Computer Assisted Retrieval Microform System (CARMS). This system gave the Andrews office instant update and access to travel records which were maintained in a central computer file in the Bolling Travel Office. Likewise, during this same 1985-86

period the Andrews Travel Office was tied into the budget system computers through the Automated Travel Record and Accounting System (ATRAS). Thus, networking was showing significant results with the Bolling central office performing the repetitive tasks of voucher computation and accounting entry updating, while the Andrews office serviced customers and gathered vouchers.

The net results of the centralized re-organization in this division are indicated in manning and productivity figures. From 1984 to 1987 the actual available manpower dropped from 44 people to 40 in the combined Bolling and Andrews travel offices (3:--). However, voucher production increased significantly as seen graphically in Figure 5 (page 17).

In summary, the study Model A production of vouchers, as a whole and within the Travel Pay Division, increased significantly while the AFO assumed a more centralized and regional configuration (see Figure 4). Actual manning, likewise, went down both in the AFO (see Figure 3) and in part within the Travel Division during the same 1984-1987 period.

The five areas described in this chapter will, likewise, be described in the next chapter for Model B.

TRAVEL VOUCHERS (NO. PROCESSED)

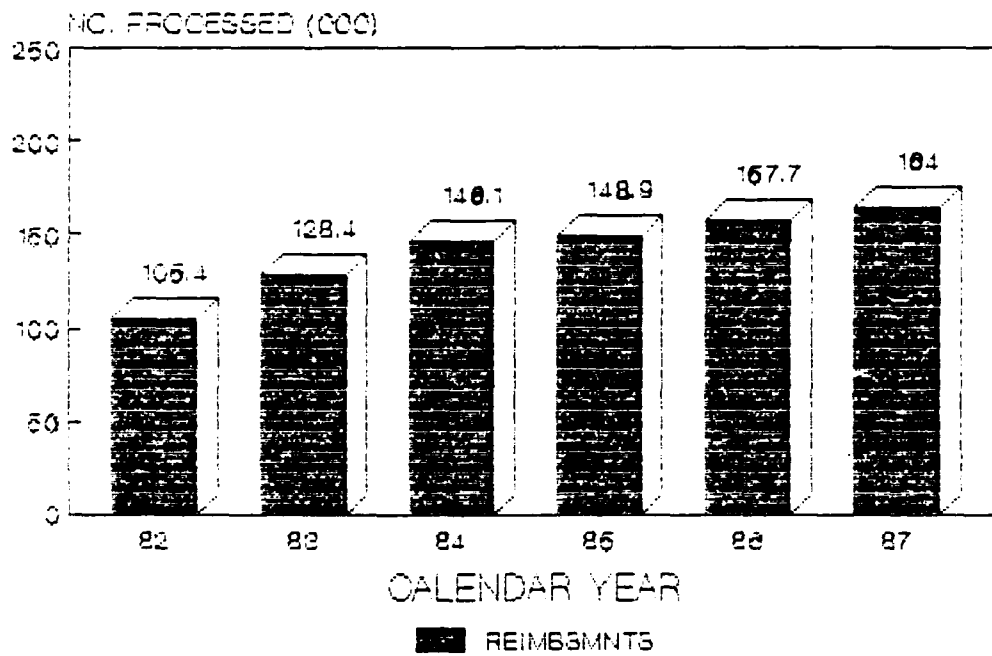


FIGURE 5 (4:--)

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Chapter Four

ANALYSIS OF MODEL B

As stated in the introduction, this model's AFOs were selected randomly from among several major clusters of Air Force Bases in the continental United States. The selected Accounting and Finance Offices are located respectfully on March, Norton and George AFBs. Since regionalism is the functional combining of one or more geographically separate AFO's into one central office in a defined region, then the combining of March, Norton and George AFOs appears to satisfy the concept definition. If the larger AFO at Norton AFB is selected as the centrally located office, then the George AFO would be approximately thirty-five miles North and the March AFO twenty miles South. The region now geographically resembles somewhat the National Capital Region in the first model. The satellite operations are presumed to be George and March AFOs. As in the first model, the descriptive areas remain the same, the region, serviced population, manpower, output productivity, and a sample look at manpower and productivity in the Travel Pay Division.

REGION

The AFO's in the second model are clustered Southeast of Los Angeles. March AFB is at Riverside, California, in Riverside County. Twenty miles North is Norton AFB at San Bernardino in San Bernardino County. Again, thirty-five miles north of Norton AFB is George AFB, near Victorville in San Bernardino County.

POPULATION

The AFO's in this defined region primarily service the base populations where each is located. Bolling AFB, on the other hand, is a small base with a small resident Air Force population with its primary customers located eleven miles away in the Pentagon. Table 2 provides a brief breakout of the serviced population by combining the military and civilian payroll on each base as of December 1987.

MILITARY AND CIVILIAN POPULATION SERVICED

March	61,673
Norton	150,652
George	73,984
TOTAL	286,309

TABLE 2 (5:--)

MANPOWER

The manpower numbers for the total AFO manning at each base are presented in Table 3 for both military and civilian positions as of December 1987.

MANPOWER

	Requirement	Authorized	Assigned
March	63	63	64
Norton	132	119	123
George	53	53	50
TOTALS	248	235	237

TABLE 3 (5:--)

The requirement column is the proven needs of each AFO as determined by the base Management Engineering Team (MET) and is determined using standardized Air Force Comptroller formulas and work count criterion against each manpower position. The authorized column is the authorized positions which can become funded positions. The assigned column is the actual funded military and civilian personnel employed.

OUTPUT

Again, in this model the measure of production is the total number of disbursement and collection vouchers processed. The totals for each base for the entire fiscal year are presented in Table 4.

VOUCHERS PROCESSED
(Fiscal Year, 1987)

March	64,910
Norton	125,227
George	44,995
TOTAL	235,132

TABLE 4 (5:--)

TRAVEL PAY DIVISION

The Travel Pay Divisions of each base remain localized because they primarily support on-base personnel. Again, the measurement factors to be described are manpower and vouchers processed. The manpower numbers are given in Table 5 for each base as of December 1987, because the manpower fluctuations are not as extreme as in the previous Model A, and a one month sample would be somewhat representative of the yearly average.

TRAVEL PAY MANPOWER
(Military and Civilian)

	Requirement	Authorized	Assigned
March	13	13	13
Norton	34	34	32
George	9	9	6
TOTALS	56	56	51

TABLE 5 (5:--)

As a measurement of productivity, the disbursement and collection vouchers processed for each AFO Travel Pay Division for the fiscal year 1987 are given in Table 6.

TRAVEL VOUCHERS PROCESSED
(Fiscal Year, 1987)

March	128,570
Norton	73,483
George	19,450
TOTAL	221,503

TABLE 6 (5:--)

The five areas described in this chapter about Model B, which is the combined data for March, Norton and George AFOs, were presented as an alternate picture of a potential AFO regional concept application. The salient measuring data for comparing Model A to Model B are the manpower and voucher productivity figures. The goal in the final chapter is to make the comparisons and answer the original tasking; that is, does the AFO regionalism concept indicate any resource savings? The specific resource is manpower. Chapter Five presents the comparisons of the two models.

Chapter Five

COMPARISON OF MODELS

SUMMARY

The problem to be resolved in this study is to determine if AFO regionalism can offer a better approach to organizing the AFO system, thereby achieving manpower resource savings while possibly improving productivity.

The AFO regionalism concept was defined as operating one full-scale Air Force Accounting and Finance Office surrounded by smaller satellite branch offices in a large customer population vice operating several full-scale base-level AFO's within the same region.

The primary objective was to apply the AFO regionalism concept to two study models and to compare the results for manpower savings and productivity effectiveness.

The method of analysis was to select two models, one which closely emulated the defined regionalism concept in actual practice, and one which did not represent the concept in actual practice. The first model (Model A) was the Air Force District of Washington Accounting and Finance Office located at Bolling AFB. The second model (Model B) was randomly selected by applying the definition of regionalism to three AFOs collocated in a large customer population. The second model consisted of March, Norton and George AFB Accounting and Finance Offices. A chapter was devoted to each model and to describing four major characteristics of each model as they pertained to the concept definition. These major four characteristics were region, population, manpower and output. Within each model, one division, the Travel Pay Division, was selected as a sample for internal divisional description and comparison.

CONCLUSIONS

The analysis of this study is accomplished by comparison. Model A represents regionalism and Model B represents

non-regionalism. From each model two sample areas and two measuring factors were selected for comparative evaluation. The two sample areas are manpower and output as applied to the entire model entity, and manpower and output as applied to part of the model, i.e. the Travel Pay Division. The measuring factors in each area are the assigned manpower and voucher production figures. Tables 7 and 8 below detail the comparison. In the tables, the 1987 fiscal year data are used primarily because that year is the available data for Model B.

**COMPARISON OF MODELS
(1987 FISCAL YEAR ONLY)**

	Model A	Model B
Manpower Assigned	210	237
Vouchers Processed	310,000	235,132
Vouchers per Assigned Person	1,476	992

TABLE 7

**COMPARISON OF SAMPLED DIVISIONS
(TRAVEL PAY DIVISION)**

	Model A	Model B
Manpower Assigned	40	51
Vouchers Processed	164,000	221,503
Vouchers per Assigned Person	4,100	4,343

TABLE 8

The above data was gleaned from previous material presented in Chapters Three and Four. As mentioned above, Model A represents regionalism in practice and Model B represents non-regionalism in practice. Therefore, Model A is the base model for determining if regionalism operates more effectively.

The results from comparing Model B to Model A is that Model A produced 74,868 more vouchers than Model B during the same year. Model A used only 210 personnel versus 237 for Model B to

produce the larger quantity of vouchers. The conclusion is that Model A processes more yearly vouchers than Model B while utilizing less personnel. The same results is also shown as vouchers per person. The next comparison is between the Travel Pay Divisions of Model A and Model B.

The results from comparing Model B to Model A at the divisional level shows that Model B is more effective by producing 243 more vouchers per person per year than Model A. Similarly, Model B's Travel Pay Division produced 57,503 more vouchers than Model A with 51 assigned people versus 40 for Model A.

In summary, this study indicates that Model A regionalism appears to be more effective in saving manpower while showing increased productivity. But, at the divisional level the reverse is true. Therefore, the concept of AFO regionalism appears to have some merit based upon the total output of each model, but not at the divisional level. However, the models and measuring factors for this study are limited to manpower and voucher production. Other factors such as divisional management, internal divisional organization, efficiency of each worker, and overall AFO management could bias the models. Consequently, this study does suggest that the AFO regionalism concept as defined in this paper may warrant further development and study.

RECOMMENDATIONS

This preliminary study suggests that the Air Force Accounting and Finance Office regionalism concept is a possible source for future study and consideration. The consideration is for meeting the first objective in the Comptroller of the Air Force Long Range Plan and Strategies document, and the first objective is to organize for increased effectiveness and greater efficiency.

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